Record breaking performance marks 2021

This has truly been a special year for National Life Group as there have been many successes to celebrate. From a top line perspective, life sales exceeded $400M for the first time and the annuity business remained strong despite the challenges of the pandemic, with flow sales nearly matching the previous all-time high from 2019. Core earnings were over $300M for the first time as continuing to focus on business fundamentals delivered bottom line results as well. Pairing these achievements with two credit rating upgrades and the issuance of $750M in long term contingent capital earlier in the year positions us well for the future. And finally, we were excited to close 2021 by seeding our charitable foundation with a $20M endowment that will support our future causes.

TOTAL ASSETS 1
$40 BILLION
Up 5% from December 31, 2020.

In our bond portfolio, 54% of our fixed income securities are rated NAIC 1, the highest quality category, and 42% are high quality NAIC 2.

TOTAL LIABILITIES 1
$37 BILLION

2021 PREMIUMS and DEPOSITS 2
$4.0 BILLION
Up 19% from 2020.

STATUTORY CAPITAL 3
$3.4 BILLION
Up from $2.9 billion at December 31, 2020.

2021 CORE EARNINGS 5
$370 MILLION
$81 million above 2020.
2021 reflects our highest earnings in Company history.

2021 SALES 4

Life
$441 MILLION

Flow Annuity
$160 MILLION

SPDA Annuity
$802 MILLION

2021 BENEFITS PAID 6
$1.9 BILLION
Up 12% over 2020.
Our promises kept.
Based on the consolidated financial position as of December 31, 2021 stated on the basis of U.S. Generally Accepting Accounting Principles (“GAAP”) of NLV Financial Corporation (“NLVF”) and its subsidiaries and affiliates, including National Life Insurance Company (“NLIC”) and Life Insurance Company of the Southwest (“LSW”). NLVF and its subsidiaries and affiliates operate as a unified organization under the trade name of National Life Group (“NLG”). Total assets exclude bond unrealized gains and losses. Statutory basis financial figures as of December 31, 2021: NLG consolidated admitted assets were $40.8B and liabilities were $37.8B. NLIC admitted assets were $11.0B and liabilities were $8.1B.

2. Based on the consolidated financial results of NLVF for the year ended December 31, 2021, premiums and deposits include premiums on a GAAP basis plus policyholders’ deposits from the GAAP basis statement of cash flows. Premiums on a statutory basis of accounting for the year ended December 31, 2021 for NLIC were $418M.

3. Statutory total adjusted capital (“TAC”) as of December 31, 2021 for NLIC. TAC is an industry measure used by state regulators to measure a life insurer’s risk-based capital adequacy, and includes statutory capital and surplus adjusted for certain liabilities.

4. Life sales include total weighted new annualized premium (“WNAP”) for NLIC and LSW. Flow annuity and single premium deferred annuity (“SPDA”) sales include total deposits for NLIC and LSW. For the year ended December 31, 2021, NLIC life insurance WNAP were $58M, flow annuity total deposits were $8M and SPDA deposits were less than $1M.

5. Core Earnings is a group only non-GAAP, pre-tax measure we use to evaluate our financial performance. It excludes investment gains/losses and accounting volatility related to our indexed life and annuity products. We believe Core Earnings is a useful measure to analyze our results and trends because it excludes such short-term volatility and is more consistent with the economics and long-term performance of our indexed products. For additional information, refer to our quarterly financial statements by visiting: https://www.NationalLife.com/OurStory-Financials.

6. Statutory basis benefits paid based on consolidated results of NLIC and LSW for the year ended December 31, 2021. NLIC benefits paid were $286M.